Memo to File:

RE: Oljeto (Chum) Mine SUM Company ACT/037/029

This mine site was visited by D. Wayne Hedberg and Mary Ann Wright of the Division on January 7, 1981. Mr. Joe Stocks and Mrs. Phyllis Cortez of SUM Company took us to the site. Mr. Jerry Stocks of SUM Company was present at the site.

An inspection of the mine revealed two major problems. The SUM Company was discharging mine water into an adjacent wash which was at the same time filled and blocked with waste rock from the mine.

Water was actively being discharged during the inspection. One radiological sample was taken while on-site and later delivered to the State Department of Health laboratory for analysis. Mr. Jerry Stocks, mine manager, claimed that they only discharge for approximately two (2) hours in the morning each day which would constitute about 2,000 gallons/day at the present rate of discharge. Division personnel made a rough discharge measurement of 15 gpm utilizing a half gallon container and a stop watch. The SUM Company representatives were informed that such discharge was in violation of State and federal environmental laws. The representatives were further informed that they would have to contain the water in a pond which would have to be approved ultimately by State Health and the Division. The Company was also informed that an NPDES discharge permit was required through application to State Health. Their address was supplied to Mrs. Cortez, the permitter for the Company.

Some waste rock was observed being dumped in the wash while Division representatives were on-site. The problem with this practice was discussed with all three SUM Company representatives and SUM Company was instructed to remove the waste from the wash and place it in a suitable area. Mr. Joe Stocks admitted that this was a poor mining practice from both an environmental and health standpoint. He pointed out that if the wash was flooded it would flow over the dam created by the waste rock and flow into the mine entrance. Mr. Joe Stocks said his brother should know better and committed to having him remove the waste to another area.

A quick on-site check of the previously filed Kelmine Mine and reclamation plan revealed that mining was not being conducted in accordance with the original plan which had required four acres of disturbance to conduct the mining of State Mining Lease 33315. The Division representatives decided that measurements of the mine should be made. They are as follows:

Actual Measurements: (utilizing a 100-ft steel tape)

Upper pad 13,150 sq ft
Lower pad 38,807 sq ft
Connecting road 5,110 sq ft
62,067 sq ft = 1.42 A

Memo to File ACT/037/029 February 2, 1981 Page two

Estimates of:

On-site living quarters with two trailers (3 A)		
Plus 1/4 mile road to trailers (3 A)	6	A
Waste rock dump in wash 10' x 150 '	03	3 A
[1] 12 12 12 12 12 12 12 12 12 12 12 12 12		Total

Areas estimated for required changes:

Properly sized pond calculated by discharge amounts	.4 A
Area for waste rock when removed from wash	.2 A
	2.65 A

Two and one half acres to three acres was calculated by Division personnel to mine the lease according to acceptable and reasonable mining practices.

The submittal of a mine plan with maps of the site facilities was discussed with SUM representatives. Forms had been sent with a letter on December 30, 1980, SUM Company was urged to submit a plan as soon as possible because they had been mining without a permit since September. It was explained that approval of surety arrangements would be requested at the Board's January hearing.

MARY ANN WRIGHT WONE

MAW/btm